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May 13, 2022

## PARTIES OF RECORD

Re: Case No. 2022-00100

Attached is a copy of a memorandum, which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum, please do so within five days of receipt of this letter.

If you have any questions, please contact Andrew Bowker, Staff Attorney, at 502-782-2580 or [andrew.bowker@ky.gov](mailto:andrew.bowker@ky.gov).

Sincerely,

A handwritten signature in blue ink that reads "Linda C. Bridwell".

Linda C. Bridwell, P.E.  
Executive Director

Attachment

## INTRA-AGENCY MEMORANDUM

### KENTUCKY PUBLIC SERVICE COMMISSION

**TO:** Case File No. 2022-00100

**FROM:** Andrew Bowker, Staff Attorney

**DATE:** May 13, 2022

**RE:** Informal Conference of May 11, 2022.

Pursuant to an Order issued on May 10, 2022, a virtual informal conference (IC) was conducted on May 11, 2022, at 1:00 p.m. Eastern Daylight Time. Representatives of Delta Natural Gas Company, Inc. (Delta) participated in the virtual conference with Commission Staff. Attached is a copy of the attendance roster.

The purpose of the IC was to discuss the Gas Cost Recovery (GCR) unification process previously established in the Commission's January 3, 2022 Order in Case No. 2021-00185.<sup>1</sup>

During the IC, Delta explained to Commission Staff their interpretation of the unified GCR process and the timeframe in which Delta had planned to complete the unification of the GCR for its Delta and former Peoples gas system, which would conclude around January 24, 2024. Commission Staff explained to Delta the tracking mechanism, and the residual and transitional period recovery timeline as intended in the Commission's January 3, 2022 final Order. The Commission's January 24, 2022 Order set forth an immediate unified GCR rate for the Delta and former Peoples gas system with the combined system Expected Gas Cost rate. After the period in which the lingering Actual Cost Adjustment quarters and Balancing Adjustment quarters for each of the separate gas systems were accounted for, any under- or over-recoveries of gas costs related to each individual gas systems are totaled. Future GCR rate reports would establish a tracking mechanism that would allow for customers in each separate gas system to be charged a separate recovery rate until the remaining under- or over-recoveries of gas costs are individually reconciled. Commission Staff informed Delta that should they wish to defer from the Commission's January 3, 2022 final Order they would need to file a motion requesting to deviate and include in that motion their proposal for the GCR unification process. Staff also discussed with Delta some missing information and excel spreadsheet reference errors in their GCR rate report that would need to be addressed.

There being no further discussion, the IC was then adjourned.

cc: Parties of Record

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<sup>1</sup> Case No. 2021-00185, *Electronic Application of Delta Natural Gas Company, Inc. for an Adjustment of Its Rates and a Certificate of Public Convenience and Necessity* (Ky. PSC Jan. 3, 2022).



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